

Leave a Gift for Your Hospital in Your Will

Mr. & Mrs. Jackson are in their mid-70s with four adult children. They are updating their wills and powers of attorney. Their Estate is valued at \$500,000, including a \$100,000 RRIF plan. Their primary goal is to leave their Estate to their children and they also wish to consider a gift for their local hospital in their wills. Assuming \$50,000 in annual income, a financial adviser provided three simplified examples for them.

1

Equal Shares to 4 Children

ESTATE

Includes \$100K RRIF (taxable income)

\$500,000



Income Tax
CRA 😞 \$39,000



NET ESTATE

\$461,000



\$115,500 each



\$39,000 tax paid.

\$115,000 for each child.

No gift to charity.

2

\$50,000 Gift to Hospital Foundation

ESTATE

Includes \$100K RRIF (taxable income)

\$500,000



Income Tax
CRA 😞 \$39,000



Gift to Foundation
😊 \$50,000



Tax Credits
CRA 😊 \$23,000



NET ESTATE

\$434,000



\$108,500 each



\$16,000 tax paid.

\$108,500 per child.

\$50,000 for new medical equipment.

3

Equal Shares to Foundation & Children

ESTATE

Includes \$100K RRIF (taxable income)

\$500,000



Income Tax
CRA 😞 \$39,000



Gift to Foundation
😊 \$100,000



Tax Credits
CRA 😊 \$39,000



NET ESTATE

\$400,000



\$100,000 each



\$0 tax paid. Additional tax credits available.

\$100,000 per child.

\$100,000 for new medical equipment.

Information:

bphfoundation.com/legacy

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